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SUBJECT: GO WEST! AMBASSADOR REACHES OUT BEYOND ALGIERS

¶1. (U) THIS CABLE CONTAINS BUSINESS PROPRIETARY INFORMATION AND IS INTENDED FOR GOVERNMENT USE ONLY. DO NOT DISTRIBUTE ON THE INTERNET.

¶2. (U) SUMMARY: The Ambassador's recent trip to Oran (Algeria's second largest city) and Tlemcen provided him an excellent platform to highlight existing cooperation programs both publicly and with government officials, and to discuss U.S. investment and regional issues with local decision-makers. Although eager for greater U.S. investment in the region, provincial governors seem constrained by bureaucratic restrictions and central government control in their ability to foster a more attractive investment environment. The Ambassador also met the beneficiaries and implementers of USG-funded programs in the area in an effort to both demonstrate support for these programs and gauge their effectiveness. In Oran he visited the university and American Corner, and toured a regional newspaper that had been revamped via MEPI programming. He also met with a dynamic class of talented teenaged English-language students, all keen to study in the U.S. Harnessing that enthusiasm through effective cooperative programming remains one of our key goals, just as managing the bureaucracies for both investment and NGO development remains one of our greatest challenges. END SUMMARY

A TALE OF TWO WALIS: A CALL FOR U.S. INVESTMENT

¶3. (U) The Ambassador met with the walis (provincial governors) of Oran and Tlemcen. The meetings differed widely in tone and content, although both men called for greater U.S. investment in the region. The wali of Oran, Tahar Sekrane, was well informed and prepared for his meeting. As Algeria's second-largest city, Oran is an important economic and social center in the country. The Ambassador and the wali discussed the developing bilateral relationship, and when asked why there was not a U.S. presence in Oran (the former U.S. Consulate there closed in 1994), the Ambassador highlighted the many USG programs and projects being carried out in the city, including the new American Corner, our Access school, an English Language Fellow (ELF), and the Centre d'Etudes Maghrebines en Algerie (CEMA), which is the Algeria affiliate of the American Institute for Maghreb Studies (AIMS).

¶4. (SBU) The wali raised the case of Guardian Glass, an American company looking to invest some USD 150 million in a glass production facility in Oran. The project has stalled over the issue of finding a site to build the facility that is acceptable to both the company and the local government. The company has been negotiating a suitable site for its factory, which has been a slow and arduous process. The wali extolled the site he said he has approved, and claimed that only the blessing of the Ministry of Industry was still needed. The Ambassador said he hoped the wilaya would follow up successfully with both the Ministry of Industry and Guardian Glass. He noted that the Embassy sought to encourage U.S. companies to invest in Algeria, but bureaucratic and regulatory issues were often an obstacle. He hoped that would not be the case this time. It would be important to have a success story to build on, e.g.

Guardian Glass, because companies talk to one another.

TLEMCEN

15. (U) In Tlemcen, the Ambassador's visit was treated with much pomp and circumstance by the local authorities. In fact, at his courtesy call with the wali of Tlemcen, a number of local officials and personalities were present to welcome the Ambassador and to sit in on the meeting, which quickly turned to blunt questions and assertions. Wali Abdelwahab Nouri asked the Ambassador to explain the lack of commercial exchanges between the U.S. and Algeria. The Ambassador countered by again making the point that the Embassy sought to encourage greater U.S.-Algeria two-way trade, including outside the energy sector. In fact, we had recently established a commercial attache position at the Embassy for this purpose. But while we did our best to encourage American businesses to consider investment opportunities in Algeria, the business climate was not always easy. Companies are in business to make money and bureaucratic obstacles could be a serious disincentive. He noted the example of difficulties faced by Algerian producers -- following an agricultural mission to the U.S. organized by the Embassy -- to import dairy cows and build a dairy farm in Algeria. The project was blocked because import regulations for cows had to be amended first. The wali responded with a list of the development projects undertaken in Tlemcen, painting an idyllic picture of the region and the country as a whole. He also criticized the U.S. for blocking Algerian accession to the WTO because of "small details." The Ambassador responded that the details were not at all small, nor was the U.S. the only country concerned, but we remained prepared to discuss them.

ALGIERS 00000496 002 OF 003

A TALE OF TWO WALIS CHAPTER 2: PRESERVATION AND POLITICS

16. (U) The Ambassador asked the wali of Oran about progress on the Ambassador's Fund for Cultural Preservation grant to restore the El Pacha Mosque in the old quarter of the city. The wali, the director of religious affairs, and the director of urban planning reported that the restoration work had thus far entailed conducting surveys of the land to determine the cause of fissures through half the edifice. Studies are now required to determine the best course of action for stabilizing the subsoil and rectifying the problem, after which work could begin to physically restore the mosque. The directors were hopeful that this restoration would begin toward the end of the year. They praised the two U.S. engineers who came to Oran in 2007 to produce an execution plan for the project, adding that they would like the two engineers to return for the execution phase of the project.

17. (SBU) In Tlemcen, the Ambassador told the wali that the USG hoped for improved relations between Algeria and Morocco. Both countries were U.S. friends and we felt greater cooperation would be in the interest of both. The wali then offered a long, bombastic soliloquy, mainly demonizing Morocco. The Moroccans had attacked the Algerians when they were down, right after liberation. "I guess they had nothing better to do with their air force except bomb us." The Moroccans had accused the Algerians of terrorism and imposed visa requirements. It was then that the border was closed, and he did not favor reopening it. He provided a long history of terrorism in Algeria, noting in stock FLN epic narrative terms that Algeria had been left all alone by the world, including by the U.S., until the 9/11 wake-up call.

18. (SBU) The wali said the Moroccans were growing and exporting drugs. This was a source of instability throughout the region and a growing domestic problem for Algeria. He cited various recent large drug seizures in Tlemcen Wilaya, to nods all around by various officials ranged around the room. The Ambassador observed that U.S. experience with Mexico suggested that drug interdiction efforts were more effective when the countries on both sides of a shared border cooperate. The wali next did not agree, and noted that the Western Sahara issue was also part of the problem. He spoke at length about Algeria's support for the Sahrawi people's right to self-determination -- a "matter of principle and international legality" -- and called upon the U.S. to play a greater role in

helping to achieve this goal. The Ambassador expressed USG support for the UN process to resolve the Western Sahara dispute and confidence in UN envoy Christopher Ross.

SCHOOL DAYS: ALGERIANS HUNGRY FOR ENGLISH

18. (U) The Ambassador visited the University of Oran Essenia, where he met with the rector of the university before touring the American Corner opened there in June 2008. In his meeting with the rector, he discussed the Algerian higher education system, the relationship between the university and the employment market, as well as English-language teaching in Algeria. The rector expressed the university community's gratitude for the opening of the American Corner, which he considers a real advantage for encouraging the study of English among Algerian students. In response to a question from the Ambassador about the university's future projects, the rector said that they are planning to open several doctoral schools including one for English teaching, for which cooperation with the Embassy would be highly desired. Concerning the relationship between the university and the job market, the two agreed on the necessity for the university to provide an education based not only on knowledge but also on competences, to help ensure that students are able to find jobs upon graduation. The meeting was followed by a tour of the American Corner, during which the Ambassador had the opportunity to speak with the Corner's librarian and to several of the students who were studying there at the time.

19. (U) Perhaps the highlight of the Ambassador's trip was his visit to the Access school in Oran, where he met and interacted with many students and teachers of the Access English-language program. After a presentation by students who thanked the Ambassador for his visit and the Embassy for its support for the Access program, the Ambassador talked with the students who peppered him with questions, in English, for a half hour. The students' level of English speaking and comprehension was impressive and their enthusiasm for the program and learning English was inspiring.

GOING TO PRESS: MEPI PROJECT SHOWS PROGRESS

110. (U) While in Oran, the Ambassador also visited the offices of "La Voix de l'Oranie," a regional newspaper that participated in the MEPI-funded Journalism Development Group (JDG) project. The JDG program works with Algerian newspapers to improve journalism

ALGIERS 00000496 003 OF 003

standards, profitability, independence and objectivity. The newspaper's owner, editor-in-chief and staff, as well as the American JDG director, explained the many changes that had been made at the newspaper since the start of the project, including constructing an open space for the journalists to work in, restructuring the organizational and work flow charts, introducing job descriptions and division of responsibilities, and implementing a new marketing strategy to increase sales and obtain greater private advertising. The changes were vast and the new marketing strategy revolutionary by Algerian standards. The staff was very enthusiastic about the paper's new direction and was optimistic about becoming the largest regional paper in western Algeria.

111. (U) Other highlights of the Ambassador's trip included meetings in Oran with English Language Fellow Martha Schouten and CEMA Director Robert Parks, as well as a dinner in Tlemcen with alumni of various USG-sponsored programs such as the Fulbright and Humphrey Fellowships and the Youth Enrichment Program. These meetings provided insight into the successes and challenges of USG programs and English-language education in Algeria.

112. (U) COMMENT: The trip was an excellent opportunity for outreach beyond the capital and garnered positive press coverage in several media outlets. It also allowed the Ambassador to emphasize the importance of English-language training in Algeria, especially among underprivileged youth, demonstrate support for USG-funded programs and for the excellent work and efforts of their implementers, and underscore the Embassy's commitment to strengthening U.S.-Algerian cooperation and U.S. investment in Algeria. We have been able to maintain a fairly good level of contact and exchange in both Oran and Tlemcen even after the closure of Consulate Oran, and we are now

trying to broaden the net there to tap into the more liberal culture in that part of the country, along with the enthusiasm of the young people already participating in our projects.

PEARCE